

Business Planning Project

Estimated timeline of project: 3-4 months

Number of BVA consultants on project: 3-4

Strategic planning vs. business planning

A business plan explains the “who/what/how/where/when” and typically will answer questions such as: “Who are the nonprofit’s “customers?” “What is the geographic area for the nonprofit’s services?” “What other nonprofits are providing similar services?” and “What services does our nonprofit deliver that are unique?” A business plan is the action plan, identifying the tasks, milestones, and goals, but also identifying the potential for success and the potential risks ahead, given the nonprofit’s “competitive advantages” and the environment in which it operates.

The strategic plan takes all that the business plan has identified and answers “how” the desired results will be achieved, such as “How will we accomplish all this with limited resources? What will we prioritize?” Other questions that a strategic plan might answer include: “What needs to happen so that we can achieve success?” and “How will we measure success?”

Example: One finding from a nonprofit’s “business plan” could be the need to diversify financial resources. The strategic plan might then address how the nonprofit will diversify its resources, such as by enlarging the nonprofit’s individual donor base, and then drill down to identify how that will happen, such as through the tactic of developing an annual giving campaign; and further, how that tactic could be sustained, such as by identifying the cost of staff needed to support that activity on an ongoing basis.

*National Council of Nonprofits

How to know if you're ready for a business planning project

- You have full buy-in from staff and board
- You can commit to 10-15 hours of work per month within the estimated project timeline
- You plan at an ad hoc basis and can’t advance to the next level

You have goals for expanding but don’t know what the cost will be to get there

Background materials that your BVA team may request (if you have them)

- Financial materials: balance sheets, profit and loss statements, etc.
- Strategic plan
- Organizational charts

Potential Deliverables

- Excel spreadsheet
- Word/PDF document
- Power point deck